

3M™ Ambulatory Patient Grouping System (EAPGS)

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Agenda

- Introductions
- Ground rules and disclaimer:
 - As time permits, feel free to ask questions as they arise
 - Any weights and payment rates for EAPGs are for illustration purposes only and do not reflect actuals
- Who is using EAPGs
- EAPG grouping
 - Grouping logic
 - Bundling
- Reimbursement
- Service mix index
- Single visit claims vs multiple visit claims

Who is using/converting to EAPGs for payment (OPPS)?

- Current users:
 - Mass Health
 - NY DoH
 - Oklahoma BCBS
 - Virginia Medicaid (ASC & Hospitals)
 - Wellmark BCBS (IA & SD)
 - Wisconsin Medicaid
 - Minnesota BCBS
- Planned /announced users
 - Washington Medicaid
 - Illinois Medicaid
 - Texas Medicaid – TBD
 - Washington DC Medicaid - TBD

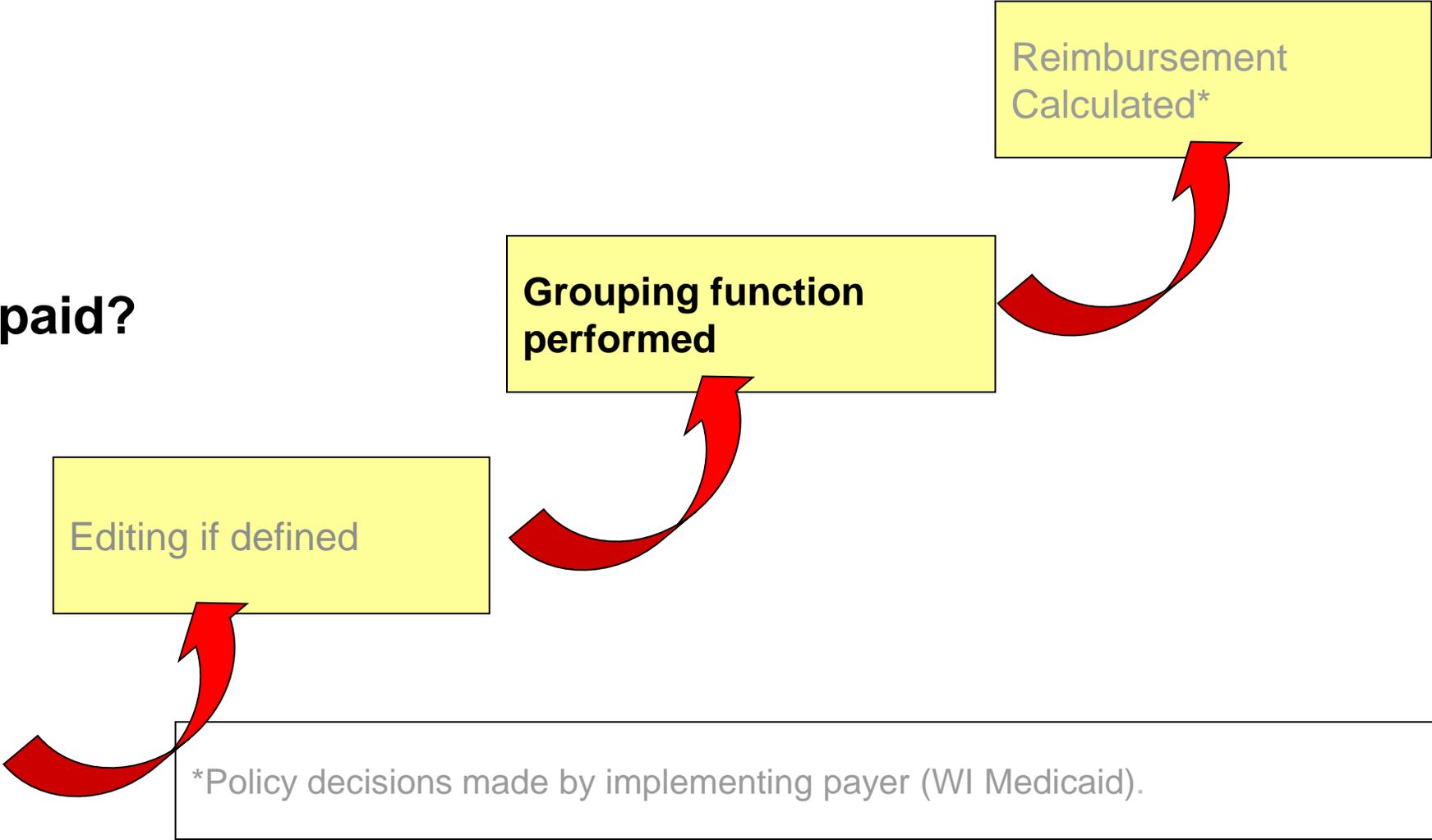
What care settings are impacted by EAPGs?

- Varies by state/payer:
 - Examples:
 - Wellmark BCBS: hospitals, ASCs, dialysis centers
 - NY:DoH: hospitals, ASCs, outpatient clinics
 - Washington State: hospitals, ASCs
- What about critical access hospitals?
 - Also varies – in most cases, yes, they are also impacted

3M™ Enhanced Ambulatory Patient Groups

Logical Functions within Products

What will be paid?



Enhanced Ambulatory Patient Groups (EAPGs)

A Definition

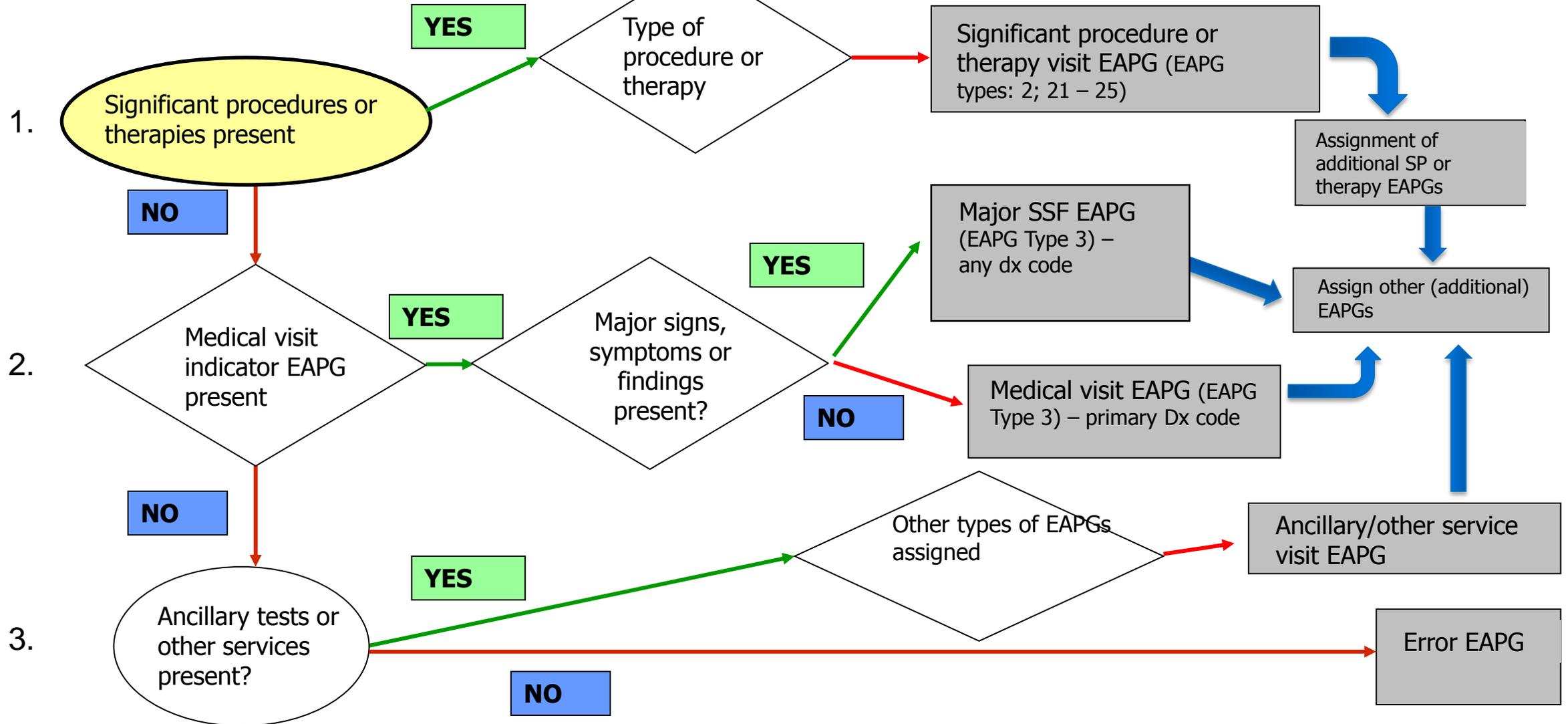
EAPGs are a patient classification system designed to explain the amount and type of resources used in an ambulatory visit. Patients in each EAPG have similar clinical characteristics and similar resource use and cost.

EAPGs were developed to encompass the full range of Ambulatory settings including same day surgery units, hospital emergency rooms, and outpatient clinics.

EAPGs can not address nursing home services, inpatient services or miscellaneous services like transportation.

EAPGs developed to represent ambulatory patient across entire patient population, not just Medicare.

EAPG logic

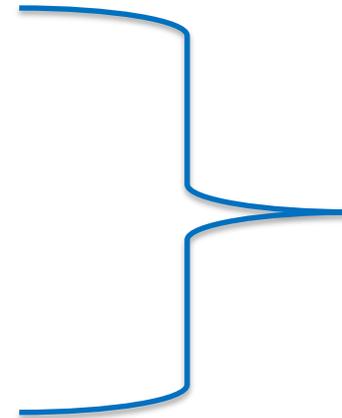


Sample EAPG Assignments

<u>HCPCS</u>	<u>Description</u>	<u>EAPG</u>	EAPG Type	EAPG Category
20808	Replantation hand complete	993	8	99
20816	Replantation digit complete	993	8	99
20822	Replantation digit complete	34	2	3
20824	Replantation thumb complete	993	8	99
20827	Replantation thumb complete	34	2	3
20838	Replantation foot complete	993	8	99
20900	Removal of bone for graft	31	2	3
20902	Removal of bone for graft	32	2	3
20910	Remove cartilage for graft	13	2	1
20912	Remove cartilage for graft	13	2	1
20920	Removal of fascia for graft	14	2	1
20922	Removal of fascia for graft	14	2	1
20924	Removal of tendon for graft	31	2	3
20926	Removal of tissue for graft	14	2	1
20930	Sp bone algrft morsel add-on	490	5	30
20931	Sp bone algrft struct add-on	221	2	11

EAPG types

<u>EAPG Type</u>	<u>Description</u>
▪ 1	Per Diem
▪ 2	Significant Procedure
▪ 21	Physical Therapy & Rehab
▪ 22	Mental Health & Counseling
▪ 23	Dental Procedure
▪ 24	Radiologic Procedure
▪ 25	Other Diagnostic Procedure
▪ 3	Medical Visit
▪ 4	Ancillary
▪ 5	Incidental
▪ 6	Drug
▪ 7	DME
▪ 8	Unassigned



For EAPG logic, these six types are treated as significant procedures

Three Types of Procedures in the EAPG System

SIGNIFICANT PROCEDURES: Normally scheduled, constitutes the reason for the visit and dominates the time and resources expended during the visit

Example: excision of skin lesion, stress tests

ANCILLARY TESTS AND PROCEDURES: Ordered by the primary physician to assist in patient diagnosis or treatment

Example: immunizations, plain films, laboratory tests

INCIDENTAL PROCEDURE: An integral part of a medical visit and is usually associated with professional services

Example: range of motion measurements

Medical EAPGS

Describe patients who receive medical treatment but do not have a significant procedure performed during the visit.

Medical patients are described using the diagnoses of the patient coded in ICD-9-CM.

Medical visit 1 – EAPGs

Primary Diagnosis

25090 DMII unspf nt st unctrl
 Present On Admission (POA): Exempt from POA reporting/unreported/not used

Primary Diagnosis
 25090 DMII unspf nt st unctrl

Secondary and External Cause of Injury Diagnoses

58181 Nephrotic syn in oth dis
 Present On Admission (POA): Exempt from POA reporting/unreported/not used

v5867 Long-term use of insulin
 Present On Admission (POA): Exempt from POA reporting/unreported/not used

Procedures

99215 Office/outpatient visit est
 Rev Code: 510
 Units: 1
 Charge: \$ 75.00
 Date: 01/30/2014
 Final EAPG: 711 DIABETES WITH OTHER MANIFESTATIONS & COMPLICATIONS
 Final EAPG Type: 3 Medical Visit
 Final EAPG Category: 62 Diabetes Mellitus

EAPG 711 DIABETES WITH OTHER
 MANIFESTATIONS & COMPLICATIONS

80053 Comprehen metabolic panel
 Rev Code: 300
 Units: 1
 Charge: \$ 75.00
 Date: 01/30/2014
 Final EAPG: 403 ORGAN OR DISEASE ORIENTED PANELS
 Final EAPG Type: 4 Ancillary
 Final EAPG Category: 22 Laboratory

36415 Routine venipuncture
 Rev Code: 300
 Units: 1
 Charge: \$ 20.00
 Date: 01/30/2014
 Final EAPG: 457 VENIPUNCTURE
 Final EAPG Type: 4 Ancillary
 Final EAPG Category: 23 Other ancillary tests and procedures
 Packaging Flag: Packaging applies

Code	Final EAPG	Adjusted Weight	Pay Action	Total Payment
99215	711	0.3511	1	\$122.89
80053	403	0.0224	1	\$7.84
36415	457	0	4	\$0.00
Claim Total:		0.3735		\$130.73



Medical visit 2 – EAPGs

Primary Diagnosis

340 Multiple sclerosis
Present On Admission (POA): Exempt from POA reporting/unreported/not used

Primary Diagnosis
0340 Strep sore throat

Secondary and External Cause of Injury Diagnoses

0261 Streptobacillary fever
Present On Admission (POA): Exempt from POA reporting/unreported/not used

Procedures

99212 Office/outpatient visit est
Rev Code: 510
Units: 1
Charge: \$ 55.00
Date: 01/20/2014
Final EAPG: 523 MULTIPLE SCLEROSIS & OTHER DEMYELINATING DISEASES
Final EAPG Type: 3 Medical Visit
Final EAPG Category: 52 Diseases and disorders of the nervous system

EAPG 562 INFECTIONS OF UPPER
RESPIRATORY TRACT

36415 Routine venipuncture
Rev Code: 300
Units: 1
Charge: \$ 25.00
Date: 01/20/2014
Final EAPG: 457 VENIPUNCTURE
Final EAPG Type: 4 Ancillary
Final EAPG Category: 23 Other ancillary tests and procedures
Packaging Flag: Packaging applies

86403 Particle agglut antbdy scrn
Rev Code: 300
Units: 1
Charge: \$ 50.00
Date: 01/20/2014
Final EAPG: 394 LEVEL I IMMUNOLOGY TESTS
Final EAPG Type: 4 Ancillary
Final EAPG Category: 22 Laboratory
Packaging Flag: Packaging applies

Code	Final EAPG	Adjusted Weight	Pay Action	Total Payment
99212	523	0.2124	1	\$74.34
36415	457	0	4	\$0.00
86403	394	0	4	\$0.00
Claim Total:		0.2124		\$74.34

Packaging

- Sometimes referred to as bundling
- General concept:
For payment purposes, the inclusion of payment for certain services within payment for significant procedures or medical services.
- A concept/phrase to learn and know
 - Just because something does not have separate payment, does not mean it receives no payment
 - A bundled/packaged service receives no separate payment

Packaging – the general concept

- EAPG standard logic includes
 - Ancillary packaging
 - Consolidation (significant procedure consolidation)

EAPG packaging – standard grouping logic

- Ancillary packaging
 - Uniform list of ancillary EAPGS
 - Always packaged when other EAPG is present
- Significant procedure consolidation (not used by Wisconsin Medicaid)
 - Same EAPG
 - Clinical (related procedures)

Uniform packaging list

<u>EAPG</u>	<u>EAPG Description</u>
373	LEVEL I DENTAL FILM
374	LEVEL II DENTAL FILM
375	DENTAL ANESTHESIA
376	DIAGNOSTIC DENTAL PROCEDURES
377	PREVENTIVE DENTAL PROCEDURES
380	ANESTHESIA
390	LEVEL I PATHOLOGY
394	LEVEL I IMMUNOLOGY TESTS
396	LEVEL I MICROBIOLOGY TESTS
398	LEVEL I ENDOCRINOLOGY TESTS
400	LEVEL I CHEMISTRY TESTS
402	BASIC CHEMISTRY TESTS
406	LEVEL I CLOTTING TESTS
408	LEVEL I HEMATOLOGY TESTS
410	URINALYSIS
411	BLOOD AND URINE DIPSTICK TESTS
412	SIMPLE PULMONARY FUNCTION TESTS

<u>EAPG</u>	<u>EAPG Description</u>
413	CARDIOGRAM
423	INTRODUCTION OF NEEDLE AND CATHETER
424	DRESSINGS AND OTHER MINOR PROCEDURES
425	OTHER MISCELLANEOUS ANCILLARY PROCEDURES
426	PSYCHOTROPIC MEDICATION MANAGEMENT
427	BIOFEEDBACK AND OTHER TRAINING
428	PATIENT EDUCATION INDIVIDUAL
429	PATIENT EDUCATION GROUP
448	EXPANDED HOURS ACCESS
449	ADDITIONAL UNDIFFERENTIATED MEDICAL VISIT/SERVICES
457	VENIPUNCTURE
471	PLAIN FILM

Ancillary packaging

- Ancillary service is packaged when:
 - The EAPG into which the service is groups is on the packaging list
 - A medical visit EAPG is present, OR
 - A significant procedure is present
- If ancillary service is provided alone
 - No packaging is done

Ancillary packaging

99214 Office/outpatient visit, est

Rev Code: 560
 Units: 1
 Date: 04/01/2010
 Final EAPG: 564 LEVEL I OTHER EAR, NOSE, MOUTH, THROAT & CRANIAL/FACIAL DIAGNOSES
 Final EAPG Type: 3 Medical Visit
 Final EAPG Category: 54 Ear, nose, mouth, throat and craniofacial diseases and disorders

P. dx: 38300 Ac mastoiditis w/o compl

70120 X-ray exam of mastoids

Rev Code: 310
 Units: 1
 Date: 04/01/2010
 Final EAPG: 471 PLAIN FILM
 Final EAPG Type: 4 Ancillary
 Final EAPG Category: 25 Radiology
 Packaging Flag: Packaging applies.

Financial Information - Wellmark BCBS (Iowa & S. Dakota) - EAPGS						
Code	Final EAPG	Adjusted Weight	Pay Perc.	Pay Action	Base Payment	Total Payment
Visit ID: 1						
99214	564	0.5787	1.00	01	228.01	228.01
70120	471	0.0000	0.00	04		0.00
Claim Total:					228.01	228.01



Ancillary service w/out medical visit or significant procedure EAPG

70120 X-ray exam of mastoids

P. dx: 38300 Ac mastoiditis w/o compl

Rev Code: 320
Units: 1
Charge: \$ 150.00
Date: 04/01/2010
Final EAPG: 471 PLAIN FILM
Final EAPG Type: 4 Ancillary
Final EAPG Category: 25 Radiology

Financial Information - Wellmark BCBS (Iowa & S. Dakota) - EAPGS

Code	Final EAPG	Adjusted Weight	Pay Perc.	Pay Action	Base Payment	Total Payment
Visit ID: 1						
70120	471	0.2629	1.00	01	103.58	103.58
Claim Total:					103.58	103.58

Packaging

- Includes a packaging algorithm.
- Users will have the option to turn off/on packaging.
- Users will be able to make modifications to the packaging lists.
- Users will be allowed to change (add to / delete from the packaging list).

EAPG packaging controls

Schedule - Open

User Key1: NY Medicaid Ex User Key2: Q2 2012
 Begin date: 04/01/2012 End date: 06/30/2012
 Description: Q2 2012 NY Medicaid
 Modified date: 06/08/2012

Grouping - General: Enhanced APG System Version 3.7 (01/01/2012)
 Payer exceptions: New York Medicaid (01/01/2012) Customize
 Medical necessity editor: Insurance ID:
 Consolidation: None
 Reimbursement scheme: New York Medicaid - EAPGS

What's This?
 Print
 Clear
 Cancel
 Save
 Save as...

Grouping - General	Grouping - Visits	Grouping - EAPG Type Processing		Grouping - Modifiers	
Grouping - Consolidation / Acuity	Grouping - Conditional	Facility Values	Agency Values	Statistics	
Grouping - Per Diem	Grouping - Inpatient Only / Never Pay		Grouping - Packaging		

Add	Per Diem	Significant Procedure	Physical Therapy & Rehab	Mental Health & Counseling	Dental	Radiologic Procedure	Other Diagnostic Procedure	Medical Visit
404	<input checked="" type="checkbox"/>							
405	<input checked="" type="checkbox"/>							
426	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
435	<input checked="" type="checkbox"/>							
495	<input checked="" type="checkbox"/>							
496	<input checked="" type="checkbox"/>							
	<input type="checkbox"/>							

Delete

EAPG
373
374
375
376
377
426
428
429
448

Import...

Import...



EAPG packaging – standard grouping logic

- Ancillary packaging
 - Uniform list of ancillary EAPGS
 - Always packaged when other EAPG is present
- Significant procedure consolidation (bundling)
 - Same EAPG
 - Clinical (related procedures)

Significant procedure consolidation

- When a patient has multiple significant procedures, some of the significant procedures may require minimal additional time or resources. Significant procedure consolidation refers to the collapsing of multiple related significant procedure APGs into a single EAPG for the purpose determining the payment.
- Example: If both a simple incision and an complex incision are coded on a patient bill, only the complex skin incision will be used in the EAPG payment computation.

Consolidation controls

- Types of consolidation
 - Clinical (based on clinical algorithm)
 - Multiple same procedure

Clinical significant procedure consolidation - extract

APPENDIX E - EAPG CONSOLIDATION

EAPG 252 LEVEL I FACIAL AND ENT PROCEDURES

- 003 LEVEL I SKIN INCISION AND DRAINAGE
- 005 NAIL PROCEDURES
- 006 LEVEL I SKIN DEBRIDEMENT AND DESTRUCTION
- 007 LEVEL II SKIN DEBRIDEMENT AND DESTRUCTION
- 009 LEVEL I EXCISION AND BIOPSY OF SKIN AND SOFT TISSUE
- 012 LEVEL I SKIN REPAIR
- 013 LEVEL II SKIN REPAIR

EAPG 253 LEVEL II FACIAL AND ENT PROCEDURES

- 002 SUPERFICIAL NEEDLE BIOPSY AND ASPIRATION
- 003 LEVEL I SKIN INCISION AND DRAINAGE
- 004 LEVEL II SKIN INCISION AND DRAINAGE
- 006 LEVEL I SKIN DEBRIDEMENT AND DESTRUCTION
- 007 LEVEL II SKIN DEBRIDEMENT AND DESTRUCTION
- 008 LEVEL III SKIN DEBRIDEMENT AND DESTRUCTION
- 009 LEVEL I EXCISION AND BIOPSY OF SKIN AND SOFT TISSUE
- 010 LEVEL II EXCISION AND BIOPSY OF SKIN AND SOFT TISSUE
- 011 LEVEL III EXCISION AND BIOPSY OF SKIN AND SOFT TISSUE
- 012 LEVEL I SKIN REPAIR
- 013 LEVEL II SKIN REPAIR
- 252 LEVEL I FACIAL AND ENT PROCEDURES

EAPG 254 LEVEL III FACIAL AND ENT PROCEDURES

- 002 SUPERFICIAL NEEDLE BIOPSY AND ASPIRATION
- 003 LEVEL I SKIN INCISION AND DRAINAGE
- 004 LEVEL II SKIN INCISION AND DRAINAGE
- 006 LEVEL I SKIN DEBRIDEMENT AND DESTRUCTION
- 007 LEVEL II SKIN DEBRIDEMENT AND DESTRUCTION
- 008 LEVEL III SKIN DEBRIDEMENT AND DESTRUCTION
- 009 LEVEL I EXCISION AND BIOPSY OF SKIN AND SOFT TISSUE
- 010 LEVEL II EXCISION AND BIOPSY OF SKIN AND SOFT TISSUE
- 011 LEVEL III EXCISION AND BIOPSY OF SKIN AND SOFT TISSUE
- 012 LEVEL I SKIN REPAIR
- 013 LEVEL II SKIN REPAIR
- 014 LEVEL III SKIN REPAIR
- 015 LEVEL IV SKIN REPAIR
- 252 LEVEL I FACIAL AND ENT PROCEDURES
- 253 LEVEL II FACIAL AND ENT PROCEDURES



Example of same SP consolidation

Diagnosis:
9100 Abrasion head

Procedures

99282

Emergency dept visit

Rev Code: 450
Units: 1
Charge: \$ 350.00
Date: 01/30/2014
Final EAPG: 491 MEDICAL VISIT INDICATOR
Final EAPG Type: 5 Incidental
Final EAPG Category: 30 Incidental procedures and services
Packaging Flag: Packaging applies

11000

Debride infected skin

Rev Code: 450
Units: 1
Charge: \$ 100.00
Date: 01/30/2014
Final EAPG: 6 LEVEL I SKIN DEBRIDEMENT AND DESTRUCTION
Final EAPG Type: 2 Significant Procedure
Final EAPG Category: 1 Skin and integumentary system procedures

15783

Dermabrasion suprfl any site

Rev Code: 450
Units: 1
Charge: \$ 100.00
Date: 01/30/2014
Final EAPG: 6 LEVEL I SKIN DEBRIDEMENT AND DESTRUCTION
Final EAPG Type: 2 Significant Procedure
Final EAPG Category: 1 Skin and integumentary system procedures
Consolidation Flag: Same SP consolidation applies. ←



Example of same SP consolidation

Diagnosis:
9100 Abrasion head

Procedures

99282	Emergency dept visit	
	Rev Code:	450
	Units:	1
	Charge:	\$ 350.00
	Date:	01/30/2014
	Final EAPG:	491 MEDICAL VISIT INDICATOR
	Final EAPG Type:	5 Incidental
	Final EAPG Category:	30 Incidental procedures and services
	Packaging Flag:	Packaging applies
11000	Debride infected skin	
	Rev Code:	450
	Units:	1
	Charge:	\$ 100.00
	Date:	01/30/2014
	Final EAPG:	6 LEVEL I SKIN DEBRIDEMENT AND DESTRUCTION
	Final EAPG Type:	2 Significant Procedure
	Final EAPG Category:	1 Skin and integumentary system procedures
15783	Dermabrasion suprfl any site	
	Rev Code:	450
	Units:	1
	Charge:	\$ 100.00
	Date:	01/30/2014
	Final EAPG:	6 LEVEL I SKIN DEBRIDEMENT AND DESTRUCTION
	Final EAPG Type:	2 Significant Procedure
	Final EAPG Category:	1 Skin and integumentary system procedures
	Consolidation Flag:	Same SP consolidation applies.

Code	Final EAPG	Adjusted Weight	Pay Perc.	Pay Action	Total Payment
99282	491	0	0%	4	\$0.00
11000	6	0.5702	100%	1	\$285.10
15783	6	0	0%	2	\$0.00
Claim Total:		0.5702		0	\$285.10



Consolidation controls

Schedule - Open

User Key1: NY Medicaid Ex User Key2: Q2 2012
 Begin date: 04/01/2012 End date: 06/30/2012
 Description: Q2 2012 NY Medicaid
 Modified date: 06/08/2012

Grouping - Consolidation / Acuity: Enhanced APG System Version 3.7 (01/01/2012)
 Payer exceptions: New York Medicaid (01/01/2012) Customize
 Medical necessity editor: Insurance ID:
 Consolidation: None
 Reimbursement scheme: New York Medicaid - EAPGS

Buttons: What's This?, Print, Clear, Cancel, Save, Save as...

Grouping - Consolidation / Acuity	Grouping - Conditional	Facility Values	Agency Values	Statistics		
Grouping - Per Diem	Grouping - Inpatient Only / Never Pay	Grouping - Packaging				
Grouping - General	Grouping - Visits	Grouping - EAPG Type Processing				
	Significant Procedure	Physical Therapy & Rehab	Mental Health & Counseling	Dental	Radiologic Procedure	Other Diagnostic Procedure
Same procedure consolidation for:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Clinical procedure consolidation for:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Multiple procedure discounting for:	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Medical visit processed with:	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>



Never pay services

- Carve outs
- Services that are just not covered by the payer
 - Examples: cosmetic surgery
- Services are just paid through another mechanism – billed differently
 - Possible example: vaccines that are paid through federal grants and not included in the PPS
 - Wisconsin – therapies
- Grouper allows never pay services to be defined by HCPCS code or EAPG

Never pay services

Schedule - Open

User Key1: NY Medicaid Ex User Key2: Q2 2012
Begin date: 04/01/2012 End date: 06/30/2012
Description: Q2 2012 NY Medicaid
Modified date: 06/08/2012

Grouping - General Grouping - Visits Grouping - EAPG Type Processing Grouping - Modifiers
Grouping - Consolidation / Acuity Grouping - Conditional Facility Values Agency Values Statistics
Grouping - Per Diem Grouping - Inpatient Only / Never Pay Grouping - Packaging

Grouping - General: Enhanced APG System Version 3.7 (01/01/2012)
Payer exceptions: New York Medicaid (01/01/2012) Customize
Medical necessity editor: Insurance ID:
Consolidation: None
Reimbursement scheme: New York Medicaid - EAPGS

What's This? Print Clear Cancel Save Save as...

Additional inpatient only HCPCS codes	Inpatient only HCPCS codes (default or additional) to group to EAPG 994	Never pay HCPCS codes	Never pay EAPGs
23472		0019T	85
48160		1000F	86
51840		20985	117
		20986	190
		20987	311
		27412	314
		28890	319
		4000F	371
		43257	430
		55706	431

Import... Import... Import... Import...



Modifiers that may have EAPG impact

■ Modifiers recognized in EAPGs

- 25 – Distinct service
 - Allows reimbursement for a medical visit (E&M) EAPG on the same day as a distinct and separate significant procedure
- 27 – Multiple E&M encounters
 - Allows reimbursement for multiple non-related medical visits (multiple E&M codes) on the same date of service.
- 50 – Bilateral procedure
 - Flags PX code for additional payment
- 52 – Discontinue service
 - Payment discounted
- 59 – Distinct procedure
 - Bypasses consolidation for line item with modifier
 - Line item paid
- 73 – Terminated procedure
 - Payment discounted
- GN, GO, GP for speech, occupational, and physical therapies

Observation logic

- Observation is assigned based on several data elements:
 - Diagnosis code
 - HCPCS codes
 - Units of service – as defined during setup
 - None (Wisconsin Medicaid selected)
 - 4 hours – minimum requirement
 - 8 hours – minimum requirement
 - Conditional (specifically for maternity)

Reimbursement scheme: Wisconsin Medicaid EAPGS

Grouping - Conditional	Grouping - Procedure/Device Codes	Facility Values	Agency Values	Statistics
Grouping - Per Diem	Grouping - Inpatient Only / Never Pay	Grouping - Packaging	Grouping - Consolidation / Acuity	
Grouping - General	Grouping - Visits	Grouping - EAPG Type Processing	Grouping - Modifiers	

Direct admit observation logic: Yes

Repeat ancillary procedure discounting: Yes

Repeat ancillary discounting for drug: No

Repeat ancillary discounting for DME: No

Bilateral discounting: Yes

Terminated procedure discounting: No

Observation hours option: None

Cross-type multiple procedure discounting: No

Radiology procedure packaging: None
>= 4 hours
>= 8 hours
Conditional

Observation logic

- All observation is packaged in presence of significant procedure or per diem EAPGs
- HCPCS G0378 is present
 - Hour requirement based on option selected
 - For this example, 8 hours option was selected
- Two types of observation
 - Ancillary EAPG
 - Medical EAPG

Ancillary observation

- Medical visit indicator (MVI) present
 - E&M codes (99201 – 99205; 99211 – 99214, 99281 – 99285, G0463)
 - Medical visit EAPG assigned to MVI (based on primary DX)
- EAPG 450 (“OBSERVATION”) assigned to G0378

Example of observation; units = 8

Primary Diagnosis

1234 **Diphyllobothriasis intest**
 Present On Admission (POA): Exempt from POA reporting/unreported/not used

Secondary and External Cause of Injury Diagnoses

None

Procedures

99281 **Emergency dept visit**
 Rev Code: 450
 Units: 1
 Charge: \$ 450.00
 Date: 01/01/2014
 Final EAPG: 625 LEVEL II GASTROINTESTINAL DIAGNOSES
 Final EAPG Type: 3 Medical Visit
 Final EAPG Category: 57 Diseases and disorders of the digestive system

g0378 **Hospital observation per hr**
 Rev Code: 450
 Units: 8
 Charge: \$ 250.00
 Date: 01/01/2014
 Final EAPG: 450 OBSERVATION
 Final EAPG Type: 4 Ancillary
 Final EAPG Category: 23 Other ancillary tests and procedures

Financial Information - Virginia Medicaid Hosp - EAPGS

Code	Final EAPG	Adjusted Weight	Pay Perc.	Paid Units	Pay Action	Base Payment	Total Payment
99281	625	0.3856	1.00	1	01	134.96	134.96
g0378	450	0.7791	1.00	1	01	272.69	272.69
Claim Total:						407.65	407.65



Example of observation; units = 7

Primary Diagnosis

1234 **Diphyllobothriasis intest**
 Present On Admission (POA): Exempt from POA reporting/unreported/not used

Secondary and External Cause of Injury Diagnoses

None

Procedures

99281 **Emergency dept visit**
 Rev Code: 450
 Units: 1
 Charge: \$ 450.00
 Date: 01/01/2014
 Final EAPG: 625 LEVEL II GASTROINTESTINAL DIAGNOSES
 Final EAPG Type: 3 Medical Visit
 Final EAPG Category: 57 Diseases and disorders of the digestive system

G0378 **Hospital observation per hr**
 Rev Code: 450
 Units: 7
 Charge: \$ 250.00
 Date: 01/01/2014
 Final EAPG: 999 UNASSIGNED
 Final EAPG Type: 8 Unassigned (EAPG = 999)
 Final EAPG Category: 99 No EAPG assigned
 Item Unassigned Flag: Observation hours condition error.

Financial Information - Virginia Medicaid Hosp - EAPGS

Code	Final EAPG	Adjusted Weight	Pay Perc.	Paid Units	Pay Action	Base Payment	Total Payment
99281	625	0.3856	1.00	1	01	134.96	134.96
G0378	999	0.0000	0.00	0	05		0.00
Claim Total:						134.96	134.96



Medical observation

■ Observation visit indicator (OVI) present

HCPCS	HCPCS Description	EAPG	EAPG Description
99217	Observation care discharge	492	ENCOUNTER/REFERRAL FOR OBSERVATION INDICATOR
99218	Initial observation care	492	ENCOUNTER/REFERRAL FOR OBSERVATION INDICATOR
99219	Initial observation care	492	ENCOUNTER/REFERRAL FOR OBSERVATION INDICATOR
99220	Initial observation care	492	ENCOUNTER/REFERRAL FOR OBSERVATION INDICATOR
99224	Subsequent observation care	492	ENCOUNTER/REFERRAL FOR OBSERVATION INDICATOR
99225	Subsequent observation care	492	ENCOUNTER/REFERRAL FOR OBSERVATION INDICATOR
99226	Subsequent observation care	492	ENCOUNTER/REFERRAL FOR OBSERVATION INDICATOR
99234	Observ/hosp same date	492	ENCOUNTER/REFERRAL FOR OBSERVATION INDICATOR
99235	Observ/hosp same date	492	ENCOUNTER/REFERRAL FOR OBSERVATION INDICATOR
99236	Observ/hosp same date	492	ENCOUNTER/REFERRAL FOR OBSERVATION INDICATOR
G0379	Direct refer hospital observ	492	ENCOUNTER/REFERRAL FOR OBSERVATION INDICATOR

■ No medical visit indicator present

■ Medical observation EAPG assigned based on primary dx code

500	ENCOUNTER/REFERRAL FOR OBSERVATION - OBSTETRICAL	3 (Medical)	50
501	ENCOUNTER/REFERRAL FOR OBSERVATION - OTHER DIAGNOSES	3 (Medical)	50
502	ENCOUNTER/REFERRAL FOR OBSERVATION - BEHAVIORAL HEALTH	3 (Medical)	50

Observation, medical EAPG

Primary Diagnosis

64413 Threat labor NEC-antepar
 Present On Admission (POA): Exempt from POA reporting/unreported/not used

Secondary and External Cause of Injury Diagnoses

None

Procedures

G0378 Hospital observation per hr
 Rev Code: 450
 Units: 8
 Charge: \$ 250.00
 Date: 01/01/2014
 Final EAPG: 450 OBSERVATION
 Final EAPG Type: 4 Ancillary
 Final EAPG Category: 23 Other ancillary tests and procedures
 Packaging Flag: Packaging applies

G0379 Direct refer hospital observ
 Rev Code: 450
 Units: 1
 Charge: \$ 100.00
 Date: 01/01/2014
 Final EAPG: 500 ENCOUNTER/REFERRAL FOR OBSERVATION - OBSTETRICAL
 Final EAPG Type: 3 Medical Visit
 Final EAPG Category: 50 Observation

Financial Information - Virginia Medicaid Hosp - EAPGS

Code	Final EAPG	Adjusted Weight	Pay Perc.	Paid Units	Pay Action	Base Payment	Total Payment
G0378	450	0.0000	0.00	0	04		0.00
G0379	500	0.3461	1.00	1	01	121.14	121.14
Claim Total:						121.14	121.14



Same claim based on Wisconsin setting

G0378	Hospital observation per hr								
	Rev Code:		450						
	Units:		6						
	Charge:		\$ 100.00						
	Date:		02/01/2014						
	Final EAPG:		450	OBSERVATION					
	Final EAPG Type:		4	Ancillary					
	Final EAPG Category:		23	Other ancillary tests and procedures					

EAPGS Visit Information						
Number of Visits on Claim: 1						
Code	Visit ID	Lines/Visit	Visit Date	Visit Type	Medical Visit Dx	Visit Warnings
99281	001	002	02/01/2014	05	64210	00,00,00,00,00
G0378	001	002	02/01/2014	05	64210	00,00,00,00,00

Claim Status Information	
Overall Claim Type:	5 - Medical Visit
Claim Edits:	

Financial Information - Wisconsin Medicaid - EAPGS									
Code	Final EAPG	Adjusted Weight	Pay Perc.	Pay Action	Cost Share	Withholding Amount	EAPG Payment*	Alternate Payment*	Total Payment*
99281	761	0.716558	1.00	01		0.00	53.74	0.00	336.05
G0378	450	0.7791	1.00	01		0.00	58.43	0.00	55.51
Line Item Total:							112.17	0.00	106.56
Access Payment Amount (Included in first payable line item):									285.00
Claim Total:									391.56

* This payment does not include any User Defined Adjustments.

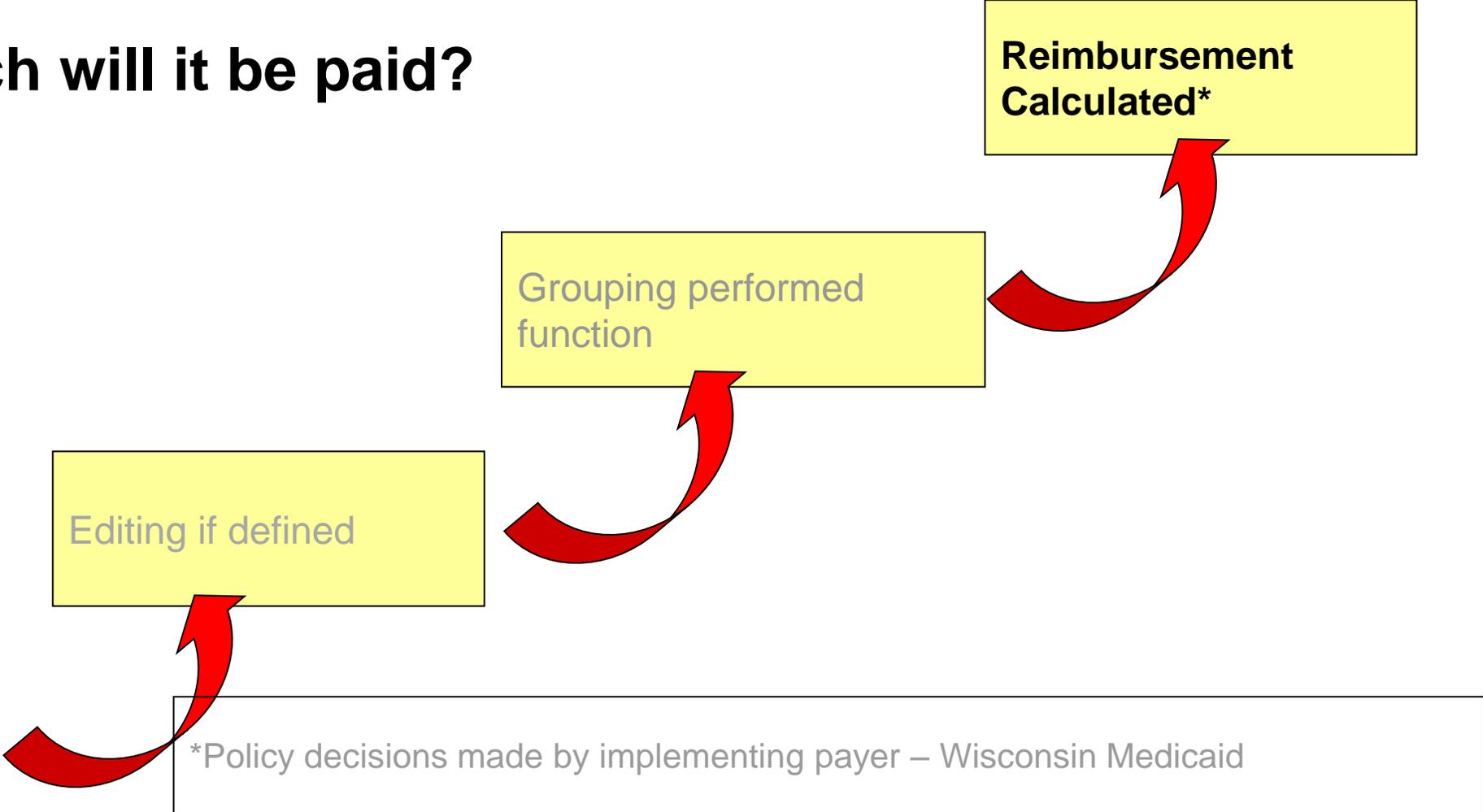


Inpatient only list

- Same concept as under APCs
- List slightly different than Medicare's list
 - Less restrictive

Logical functions within products

How much will it be paid?



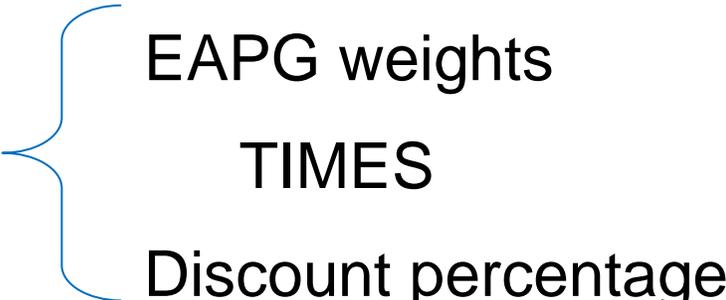
Code	Description	Rate	Modifier	Units	Amount
99201	Office visit, 15 minutes	100		1	100
99202	Office visit, 25 minutes	150		1	150
99203	Office visit, 35 minutes	200		1	200
99204	Office visit, 45 minutes	250		1	250
99205	Office visit, 60 minutes	300		1	300
99206	Office visit, 75 minutes	350		1	350
99207	Office visit, 90 minutes	400		1	400
99208	Office visit, 105 minutes	450		1	450
99209	Office visit, 135 minutes	550		1	550
99210	Office visit, 165 minutes	650		1	650



EAPG based payment system

- Each EAPG has an associated payment weight
- EAPG payment for a visit is computed as the sum of the payment weights for all non consolidated, non packaged EAPGs with applicable multiple procedure discounts applied.
- Incentive for efficient use of routine ancillary services is created by significant procedure consolidation and by the packaging of routine ancillaries into base visit payment
 - No incremental payment for routine ancillaries (blood chemistry, chest x-ray, ekg, etc.)

Payment formula

- Items consolidated, packaged, not grouped paid \$0.00
- Conversion factor (CF) [also called the base rate]
 - TIMES
- Adjusted weight (AW) 
 - EAPG weights
 - TIMES
 - Discount percentage
- Line items summed for visit total

Calculating reimbursement for EAPGs.



Claim payment equals the sum of all line payments



Multiple significant procedure discounting

- When multiple significant procedures or therapies are performed, a discounting of the EAPG payment is applied. Discounting refers to a reduction in the standard payment rate for an EAPG. Discounting recognizes that the marginal cost of providing a second procedure to a patient during a single visit is less than the cost of providing the procedure by itself.

Discounting, one example

- *Multiple unconsolidated significant procedure EAPGs*
 - *Level 1 – 100% (highest weighted EAPG)*
 - *Level 2 – 50%*
- *Multiple unpackaged ancillaries*
 - *Repeat same ancillary EAPGs*
 - *Level 1 – 100%*
 - *Level 2 – 50%*
 - *Multiple different ancillary EAPGs*
- *Modifiers*
 - *50 – Bilateral procedure*
 - *Flags PX code for additional payment – 150%*



Discounting example

HCPCS code	Description	Final EAPG	EAPG Type	Adjusted weight	Pay percent	Pay action	Payment
35476	Repair venous blockage	85	Sign Px	14.0636	100.00%	Full payment	\$3,886.90
36120	Establish access to artery	280	Sign Px	5.3728	50.00%	Discounted	\$1,484.93
72193	Ct pelvis w/dye	301	Sign Px	0.3246	25.00%	Discounted	\$89.72
80053	Comprehen metabolic panel	403	Ancill	0.3618	100.00%	Full payment	\$99.99
85610	Prothrombin time	406	Ancill	0.00	0.00%	Packaged	\$0.00
75790	Visualize A-V shunt	474	Ancill	2.9696	100.00%	Full payment	\$820.74
75978	Repair venous blockage	474	Ancill	1.4848	50.00%	Discounted	\$410.37
						Total	\$6,792.65

Using EAPGs for managing outpatient services

- Service lines
- Service mix index

Service lines

- Service line definition
 - EAPGs provide an “EAPG Category”
 - Makes a very good set of service lines
 - Provides a resource for managing outpatient care

APG categories (examples)

<u>EAPG Category</u>	<u>EAPG Category Description</u>
▪ 1	Skin and integumentary system procedures
▪ 2	Breast procedures
▪ 3	Musculoskeletal system procedures
▪ 4	Pulmonary system procedures
▪ 5	Cardiothoracic procedures
▪ 6	Hematopoietic system procedures
▪ 7	Gastrointestinal system procedures
▪ 8	Genitourinary system procedures
▪ 9	Male Reproductive system procedures
▪ 10	Female Reproductive system procedures
▪ 11	Neurologic system procedures
▪ 16	Mental illness and substance abuse therapies
▪ 30	Incidental procedures and services
▪ 71	Mental diseases and disorders
▪ 99	No EAPG assigned
▪ Total of 55 categories	

Single visit (episode) vs multiple visit processing

- Multiple visit claims (claims with different from and through dates)
 - Most claims treated as multiple claims
 - Determined by the line item dates of service
 - A single claim may include services provided on two or more days
 - Ex: surgical work up and then a same day surgery a few days later
 - Series services, such as therapies, or wound care
 - For payment purposes services provided on a single day (based on line item dates of service) are treated a logic visits
 - Packaging and discounting performed based on the visit and not the claim
- Single visit claims (episodes)
 - All services reported on a claim are treated as a single visit for payment purposes
 - Claims when the from and through date are equal, and
 - When specific revenue codes are present regardless if the from and through dates are equal
 - For example: revenue codes: 450, 451, 452, 456, 459, 762
 - Packaging and discounting performed for the entire claim

Data requirements

- Standard data sets [UB-04, X12-837I (institutional)]
 - What codes are needed for each line item?
 - Revenue codes
 - Codes usually required, but not always
 - HCPCS/CPT PX codes
 - HCPCS/CPT modifiers, as appropriate
 - Charges
 - Comment on labs (CMS uses special lab panel logic for automated tests)
 - ICD-9-CM DX codes needed on each claim
 - Primary DX, always
 - Reason for visit DX, for unscheduled visits, as coded
 - As many secondary DXs, as coded



Data requirements (cont'd)

- Other data fields
 - Age
 - Gender
 - Disposition
 - Some condition and value codes
 - Units of service
 - Charges (particularly for clinical labs)
 - Comment on labs (CMS uses special lab panel logic for automated tests)
 - Line item dates of service

Additional questions?



Future questions

- For additional questions about methodology:
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 - VEDSEAPGHMO@wisconsin.gov.

